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CONTENTS

MODEL AND WORKINGS OF CHINA'S SOCIALISM MARKET ECONOMY: GOALS AND STRATEGY TO BE THE SOLE GLOBAL SUPERPOWER

A.D. Amar[1] and Jiaju Yan[2]

Modeling from the behavior and information inside China, we study China's ambitions and actions from 1978, when it opened its markets to the West, extend the roadmap it followed to the year 2052, when China's Goal of Trilogy requires China to control 30% of the global GDP, effectively making it the world's sole superpower. Our model describes how China is getting out of socialism and has been evolving its own version of capitalism, different from all three models of capitalism. China's National Capitalism is like none of the three systems, but, ironically, is like all three selectively put together. Starting from the goal leading to the Trilogy and its implementation, we give an integrated model of the Chinese growth, and a complete model of the evolution of the Chinese version of capitalism devised to achieve this. We also explore the potential risks and dangers of China's unproven predatory development model.

Keywords: China, Global Superpower, Political Economy, Behavioral Model.

INTRODUCTION

With the "Great Trilogy of 21st Century", China wants to repeat its glorious history. China's rise has its own unique characteristics which are different from what brought the rise of Spanish in the 16th century, British in 17th and 18th centuries, Germen in 19th, and the USA in 20th century. The peaceful and mutually beneficial development has been the essential feature of China's recent rise. This is rooted in the traditional Chinese culture, reviving Confucius by replacing him for Buddha, especially via the "Da Tong" concept of Confucius which means "achieving deal in a world of great harmony." China is reviving China's glorious ancient history in the world human civilization. The great rejuvenation of the Chinese nation restoring it to its great past has been an ultimate dream of many Chinese generations since the fall of China in the 19th century and the first half of the 20th century. In order to realize this "Dream of China", the Communist Party of China announced the "Great Trilogy of 21st Century": the first step is to completely realize the Xiao Kang Society to make most Chinese people moderately well-off and China step into the middle income countries with strong middle class by the year 2022 when China celebrates the its first centenary of the Communist Party of China (CPC). The second step is set for the year 2049, the 100th year of the founding of PRC, the People's Republic of China. For this, China wants to accomplish "Complete Comprehensive" modernization and become the high income country in the world. The third objective of the Trilogy from China's capitalism is set for the end of the 21st century when China wants to achieve the great rejuvenation of the Chinese nation. This ambitious goal requires China to control more than 30% of the global GDP, in line with its past achievement when, in Year 1820, it controlled 29% of the world output.

Paris based, Organization for Economic Co-Operation and Development (OECD) now believes that China will take over the USA as the world's largest economy in 2016 (RT, 2012) in terms of the purchasing power purity measured GDP hastening China's ascension from 2018, the estimate

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ETHICAL GOVERNANCE-A STUDY OF DELHI UNIVERSITY AND ITS COLLEGES

Jai Prakash Sharma[1] and Sakshi Verma[2]

As the demand for Higher Education in India is growing, numbers of higher educational institutions are multiplying and it is essential that these institutes are governed properly. The current paper focuses on the study of one of the premier Universities of India- 'University of Delhi' or 'Delhi University', as also popularly known. Delhi University, one of the Central Universities, came into life in 1922 and has grown manifolds. From 3 colleges and 750 students in 1922, it has now over 100 PG Departments, 77 colleges and more than 4 lakh students. Understanding the importance of governance of educational institutions, the current paper makes an attempt to study the governance structure of DU and to find out how well it scores on different aspects of ethical governance, namely decision making and participation, efficient performance, following principle of equity, fairness, having a transparent and accountable governance system and teacher's ethics. Several articles and research papers have been reviewed and it is found that no such prior study has been conducted on this subject in India. The paper is based on primary as well as secondary sources. A sample of 352 respondents, including teachers, Principals and students union (DUSU) was taken and the survey was conducted using three self-designed questionnaires, separate for each respondent group. A personal interaction with teachers, Principals and students has given useful insights. To get a three sixty degree view of opinion, teachers have been further divided into different groups, on the basis of gender, designation and work status. Analysis has been done using SPSS and Excel. Descriptive statistics have been computed to study profile of respondents and to compute their mean scores. Independent t-test and one-way ANOVA have been computed to find out whether there exists any significant difference in opinion of different teacher's groups.

Keywords: Delhi University, Colleges, Ethical Governance, Higher Education.

INTRODUCTION

Higher education plays a catalytic role in the construction of a learning society and for sustainable development of an economy. It has a special responsibility to conduct the scholarship and scientific research necessary to generate the new knowledge needed, to train the leaders and teachers of tomorrow, as well as to communicate this knowledge to decision-makers and the public at large. The ultimate goal of higher education for sustainable development is to impart the knowledge, values, attitudes and skills required to empower people so as to bring about the changes required to achieve sustainability. The governance of higher education is relatively diverse, and reflects the fact that all higher education institutions are legally autonomous bodies. They are therefore substantially different in legal status from most public sector bodies.

As per OECD, 2008, 'Governance' encompasses the structures, relationships and processes through which, at both, national and institutional levels, policies for tertiary education are developed, implemented and reviewed. Talking about academic governance, it relates to the academic life of the institution in broad terms. In the narrowest terms, academic governance is about responsibility for key academic issues such as determining the curriculum, course approval, and ensuring standards. Alternatively, academic governance may be referred to what the senate/ academic board and their committees do.

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INVESTOR'S DEMOGRAPHICS AND PORTFOLIO OBJECTIVES: AN EMPIRICAL STUDY USING FACTOR ANALYSIS

Saurabh Agarwal[1]

Demographics affect Investor's psychology thereby affecting portfolio choices made by investors. In a survey of 512 retail investors, it was found that risk bearing capability affects choice amongst portfolio objectives most and years to retirement influence this choice least. "R" factor analysis has been undertaken to reduce the originally identified eight factors into minimum number of factors influencing portfolio objectives. Timing of Portfolio, Security from Portfolio, Knowledge of Portfolio Selection and Life Cycle Portfolio were finally identified as four factors affecting Portfolio Objectives.

Keywords: Portfolio Choice, Factor Analysis, Demographic Variables

INTRODUCTION

Portfolio selection involves finding solution to a variety of conflicting and non-commensurable objectives pursued by investors. A large number of authors have further suggested that investors pursue multiple objectives namely: minimisation of risk, minimisation of loss, stability in returns, high average return, high short term returns, high long term returns, high past returns, expected future performance, opportunities for superior gains, safety first and then gains, future contingencies, consumption needs, tax savings, volatility, liquidity and speculation [Markowitz (1952); Roy (1952); Tobin (1958); Treynor (1965); Jensen (1968); Sharpe's (1967); Faaland and Jacob (1981) & Papahristodoulou and Dotzauer (2004)]. The choice amongst these objectives is dependent upon demographic factors like age, risk bearing capacity, family responsibility, education, liquidity needs, time span, years to retirement and security of present job. This paper is a unique attempt to first understand through a survey as to the perceived importance of each of these factors in terms of their influence on choice amongst multiple objectives. The paper adds to the existing body of knowledge on behavioural finance as it not only uses the findings and theoretical contributions of previous researches on relevance of demographic variables but also relates them to portfolio objectives. Further, with the help of factor analysis the originally identified factors have been minimised. The paper has significant theoretical contribution as it would enable portfolio manager attempting goal based investing to be better able to relate demographics with portfolio objectives. Earlier literature has invariably over focused on relationship between risk tolerance and demographics. This work of relating demographic variables with portfolio objectives is not only new but also in tune with changing investment scenario with more focuses being laid on portfolio objectives.

The study is expected to be of immense use and interest to individual investors, relationship managers, brokerage houses, wealth managers, business analysts, financial advisors, mutual fund managers, portfolio management service providers, high net worth individuals, qualified institutional buyers (QIBs), banks, large institutional investors, foreign institutional investors (FIIs) and Ph.D. Scholars in the field of security analysis and portfolio management. The paper has five sections including the present one. Section I introduces the reader to the concept of demographics and portfolio objectives. Section II reviews recent literature. In Section III, research methodology has been discussed. Section IV is on Empirical observations and analysis. Finally, Section V discusses summary and conclusions of the paper.

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FOREIGN DIRECT INVESTMENT AND INDIAN ECONOMY - SOME REFLECTIONS

T. Satyanarayana Chary[1] and Mohd Azher Parvez[2]

Foreign Direct Investment (FDI) in India is a crucial factor for the Indian economic development. The determinants of FDI differ from country to country; there are many theories on FDI on experience of various countries. As an upshot, strategies to enhance the competitiveness of Indian manufacturing, finance and service sectors in the world of intense competition for FDI, Indian economy is striving hard in the use and ensuring the utility of FDI. The present paper analyses on FDI flows as percent of GDP, Gross fixed investment and per head income of India and some of the Asian countries, viz., China, Pakistan, Vietnam. Besides, it also dwells on FDI over Gross domestic capital formation and Gross fixed capital formation for the last 18 years (1996-97 to 2013-14), as well economic growth in terms of stock of money, industrial trends and growth rate with current year sector wise investments in India in an analytical way.

Keywords: FDI, GDP, GDCF, GFCF, GNP, Industrial growth, Economic growth.

INTRODUCTION

Cross-border investment or Foreign Direct Investment (FDI) is considered to be one of the most striking features of the global economy. FDI is broadly defined as capital flows resulting from the behaviour of multinational companies (MNCs). Factors that may affect the behaviour of MNCs could also affect the magnitude and the direction of FDI. MNCs expand their activities abroad for a variety of reasons, namely, the exploitation of economies of scale/scope; the use of specific advantages (Hymer, 1976); often due to a life-cycle pattern of their products or simply because their competitors are engaged in similar activities. On the other hand, governments also engaged in a policy competition by altering key factors of their economic policies, such as domestic labour market conditions; corporate taxes; tariff barriers; subsides, privatization and regulatory regime polices, in order to enhance FDI activity in their countries.

Though the FDI effect was originated in the mid-fifties, when the first growth model appeared, the extent of multinational activities has significantly augmented over the past two decades (Solow, 1956). Hence, FDI is found as a desirable element for economic development, it is characterized by a combination of capital, technology, marketing, entrepreneurship and human resources management. The influential role of FDI in transferring the factors across countries and economic regions, and more specifically, FDI as one of the contributory factors in the diffusion, dissemination of knowledge and assimilation of technologies and ideas (Romer, 1993). Thus, FDI often takes the form of capital flow from a parent company to its foreign affiliate as an activity considered to be (i) transferring technical factors from a region to another; (ii) substituting capital movement with labour mobility in host regions and (iii) capitalizing domestic markets and reducing the imperfections[1].

India's struggle over independence has been an excruciating financial battle with a slow economic growth and development that was largely due to the political climate and improper economic policies. Finally, country began its transformation from agrarian to industrial to commercial and open economy system. It is due to the 'trial and error' path, during the period, the economy geared-up in favour

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IMPACT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON THE FINANCIAL PERFORMANCE OF HARYANA STATE COOPERATIVE APEX BANK

Rajiv Kumar[1] and Jasmindeep Kaur[2]

Cooperative banking is considered quite important for the Indian economy as it forms the basis to achieve the objectives of financial inclusion in rural areas which are still beyond the reach of commercial banks operating in the country. But the human resource management (HRM) aspect has always remained neglected in these banks; and no sincere efforts have ever been made in this regard. The development of HRM is essential for the overall growth of the organization. In this paper, a modest attempt has been made to study the impact of HRM practices on the financial performance of Haryana State Cooperative Apex (HARCO) Bank.

Keywords: HARCO Bank, HRM, Profitability, Profit per Branch, Profit per Employee

INTRODUCTION

Man can do and undo things as per his will. Help a man hone his skills and he will do wonders. A happy and satisfied man will lay down his life for the organization where he serves. Give him a sense of belongingness; reward him for his good deeds; and chasten him, if he goes wrong. Human Resource is the only living resource which plays a vital role in the development and smooth functioning of a successful business organization. All other factors of production like machinery, money, material and method are non-living factors; and optimum utilization of these factors lies in the hand of only living factor known as human resource. In fact, it can be said that all the development activities are run through the human mind in an organization.

Rensis Likert (1967) rightly observed, "All the activities of any enterprise are initiated and determined by the people who make up the institutions. Plants, offices, computers and automated equipment's, those are unproductive in the absence of human efforts and directions". So, it is regarded as the linchpin around which every activity of any organization is carried out. Therefore, it is necessary for the organization that it must manage its human resources in an effective manner for its development and success because it is vital to the long-term future of the organization.

Peter F. Drucker (1980) suggested that management should make extensive capital investment on human resource development in organization through training, organizing and developing the skills of people at work, so that they will be able to make the business productive. It is possible only through proper development of human resources in the organization. So, human resource management can be defined as "the total knowledge, skills, creative abilities, talents, attitudes and beliefs of working people involved in an organization. It is a set of various functions and activities which were used to develop or manage human resource in an affirmative and effective manner for the benefit of organization."

OBJECTIVES OF THE STUDY

The following are the objectives of this research study:

1. To study the impact of human resource management practices on the profitability of Haryana State Cooperative Apex Bank Ltd.

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PREDICTING LIQUIDITY OF BSE BY USING ARIMA MODEL

Isha Jaiswal[1]

Even with the presence of numerous institutional players in the market, there exist a noticeable number of cash group shares which are hardly transacted. To sustain the growth of investors in the market, there is need for assuring easy and quick liquidity to the securities. To serve the same purpose, the present paper entitled "Predicting Liquidity of BSE by using ARIMA model" is designed. This paper is mainly based on secondary data from which turnover ratio has been figured. The study has been carried out for a period beginning from April 1993 to March 2013. The sample taken for the study is 240 monthly observations, before the measurement of liquidity. The finding of the paper reveals that the ARIMA of (3,1,3) is the best fitting model when liquidity is denoted in terms of Turnover Ratio.

Keywords: Stock Market, Bombay Stock Exchange Limited, Liquidity, Predicting, ARIMA Model.

INTRODUCTION

Stock market is often denoted as the barometer of a nation's health and the economic growth of any country largely depends upon how well stock markets are performing. The last two decade has been the most eventful period for the Indian Stock Market. With globalization, the Indian Stock Market has been more dynamic and responsive to changes as many new players entered the market and various administrative barriers were being removed. Most of the trading in the Indian Stock Market mainly takes place on its two major stock exchanges: Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) as these exchanges have world-class infrastructure and can endure number of transactions at a time. Bombay Stock Exchange Limited commonly known as BSE has its existence since 1875 and is oldest stock exchange in Asia. This exchange provides an efficient and transparent market for dealing in securities and it is one of the India's leading exchanges. As per Standard and Poor's Fact Book 2013, India ranked 26th in terms of turnover ratio, as of December 2012.

Liquidity being main essence of the stock market it primarily influences the security investment decisions. Liquid market improves the allocation of capital and boosts prospect for long-term economic growth. By creating liquidity, stock market may affect economic activity.

OBJECTIVE OF THE STUDY

The main objective of this paper is to predict the liquidity of BSE in terms of turnover ratio by using ARIMA Model.

HYPOTHESIS OF THE STUDY

H_0: Liquidity in terms of turnover ratio cannot be predicted by ARIMA Model.

H_1: Liquidity in terms of turnover ratio can be predicted by ARIMA Model.

SIGNIFICANCE OF THE CONCEPT OF LIQUIDITY AT BSE

The importance of liquidity is well established because of its manifold implication towards corporate decision making (Sen and Ghosh, 2008). Liquidity is one of the primary consideration influencing

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CONSUMER CLUSTERING OF CONSERVATION ATTITUDE AND BEHAVIOUR – A STEP TOWARDS SUSTAINABILITY

Karnika Gupta[1] and Narendra Singh[2]

The paper aims at establishing a causal relationship between conservation attitude and behaviour. A descriptive approach is followed and primary data is collected from 300 regional respondents using a structured questionnaire. Linear regression, cluster analysis, descriptive analysis and analysis of variance with post-hoc test are applied. Findings indicate that conservation attitude is a significant determinant of conservation behaviour and three distinct consumer segments exist as per these two variables. One segment, detrimental is completely careless and effortless; the second, hopefuls, illuminates with optimism and aspirations. The third segment, shining stars is the segment of legitimate conserver consumers and is strengthening the way towards sustainability with their grace. Further, the study describes the conserver group as constituted with highly educated, married and working females who live in rural places and belong to medium sized and high class families. In this way, this work provides businesses and marketers with a conscientious segment of educated, working and married females to whom energy saving and other eco-friendly products may be offered with ease.

Keywords: Attitude, Behavior, Cluster, Conservation, Segmentation

INTRODUCTION

World is passing through a critical phase when economic development in its present form seems unsustainable. One of the reasons for environmental malady is increasing consumption hence, production levels that are rapidly depleting the natural resources and creating an ecological imbalance (Rathzel and Uzzell, 2009). To tackle the same, many deliberations and discussions are going on across the world. Earth Summit, 1992 is the leading among all which firmly established the concept of sustainable consumption and espousal of sustainable consumption patterns across world. World Summit on Sustainable Development, 2002 (WSSD) raised the issue of sustainable development in more general ways and recently, Earth Summit 2012 afresh called for the promotion of a sustainable future. Decisively, it is recognized that fundamental changes in the ways societies consume and produce are indispensable for achieving global sustainable development. Regarding sustainable development, consumers and corporations are the foremost players and environment protection, sustainability and similar issues are their shared responsibility (Brinkman, 2004; Brinkman and Peattie, 2008). To address the above issues, CSR (Corporate Social Responsibility) and ConSR (Consumer Social Responsibility) are the two concepts evolved in business and marketing. Initially, the discussions began for the responsibility of corporations but as it is obtained that consumer is the superimposed force for their actions the paradigm shifts towards inserting responsibility of consumers.

As conservation of natural resources is the most prominent component of sustainable consumption to achieve sustainable growth (Corral-Verdugo et al. 2006); businesses are expected to limit the use of natural resources in their production process and the same is applicable to consumers regarding the process of their consumption. Singh and Gupta (2012) draw attention towards ConSR as a driver of CSR and put together so many facts as hindrances for corporations to meet out environment and sustainability demands. One such obstruction is a gap between consumer attitude and actual behaviour for which businesses usually remain indistinct to decide upon suitable corporate practices and overcoming the troubling green wash. There are ongoing debates that corporations should provide

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